
Washington Convention Center

FY 2002 Proposed Budget: \$57,277,500
FY 2002 Proposed Capital Budget: \$0

The Washington Convention Center Authority plans to expand the revenue base of the District by promoting and hosting large national and international conventions and trade shows that bring hundreds of thousands of out-of-town delegates, exhibitors, and businesses to Washington, DC; and to provide expanded employment and business opportunities for residents of the District.

The proposed FY 2002 operating budget is \$57,277,500, an increase of \$4,551,200, or 8.6 percent, over the FY 2001 approved budget.

Budget Summary

The proposed FY 2002 operating budget for the Washington Convention Center Authority (WCCA) is \$57,277,500, an increase of \$4,551,200, or 8.6 percent, over the FY 2001 approved budget of \$52,726,300 (table ES0-1). The increase is due to the hiring of additional staff members for the new convention center, an unforeseen increase in electrical rates, and the procurement of a new accounting system.

Strategic Issues

- Provide space for public events and exhibits
- Foster redevelopment of downtown Washington
- Provide employment and business opportunities for District residents

FY 2002 Initiatives

- Increase the number of events and shows from an estimated 65 in FY 2001 to 75 in FY 2002
- Continue to partner with the tourism and hospitality industries to provide world-class services to conventioners and visitors to the District

Agency Background

On August 2, 1994, the District Council enacted the Washington Convention Authority Act, which transferred operational oversight of the convention center to the Washington Convention Center Authority.

Programs

WCCA is an independent corporate body consisting of seven directors appointed by the Mayor with the consent of the Council, the Chief Financial Officer of the District, and the Director

of the Office of Tourism and Promotions (figure ES0-1). In partnership with the local and regional tourism and hospitality industry, the WCCA provides space for public events and exhibits and world-class customer service to conventioners and visitors in the District.

Most of the WCCA's current operation is focused on construction of the new convention center on the eastern side of Mt. Vernon Square. The new state-of-the-art convention center, due to open in March 2003, will have over 725,000 square feet available for exhibitors and meeting space (compared with 355,000 square feet in the current convention center). It is expected to create over 10,000 new hospitality industry jobs in the District.

Funding Summary

The proposed FY 2002 other budget is \$57,277,500, an increase of \$4,551,200, or 8.6 percent, over the FY 2001 approved budget. Of this increase, \$2,251,100 is in personal services and \$2,300,100 is in nonpersonal services. Refer to the FY 2002 Operating Appendices (bound separately) for details. Significant increases include:

- \$2,251,000 for 8 additional FTEs, part-time staffing needs, salary adjustments, and staffing contingency needs necessary to prepare for the new convention center.
- Approximately \$700,000 in unforeseen increases in electricity rates and for additional Internet costs.
- Approximately \$900,000 for a new accounting system.

Trend Data

Table ES0-2 shows expenditure history for FY 1998–Proposed FY 2002.

Agency Goals and Performance Measures

Note: The new convention center will open in FY 2003.

Goal 1. Maintain or exceed bookings and building revenue while supervising the construction of a new convention center.

Citywide Strategic Priority Area: Promoting economic development

Manager: Tracy S. Harris, CFO

Supervisor: Lewis S. Dawley III, General Manager

Performance Measure 1.1: Number of events hosted

	1999	2000	Fiscal Year 2001	2002	2003
Target	80	100	65	75	TBD
Actual	139	116	—	—	—

Performance Measure 1.2: Number of delegates and exhibitors (thousands)

	1999	2000	Fiscal Year 2001	2002	2003
Target	N/A	700	700	550	TBD
Actual	779	936	—	—	—

Performance Measure 1.3: Percentage of convention center occupancy rate

	1999	2000	Fiscal Year 2001	2002	2003
Target	85	90	82	75	TBD
Actual	85	80	—	—	—

Table ES0-1

FY 2002 Proposed Operating Budget, by Comptroller Source Group

(dollars in thousands)

Washington Convention Center Authority

	Actual FY 2000	Approved FY 2001	Proposed FY 2002	Change from FY 2001
Regular Pay - Cont. Full Time	10,058	8,238	9,535	1,297
Regular Pay - Other	0	708	1,476	768
Additional Gross Pay	0	339	553	214
Fringe Benefits	0	2,435	2,407	-28
<i>Subtotal Personal Services (PS)</i>	<i>10,058</i>	<i>11,720</i>	<i>13,971</i>	<i>2,251</i>
Supplies and Materials	541	475	534	59
Utilities	1,937	2,105	2,831	726
Other Services and Charges	8,354	0	10,891	10,891
Contractual Services	0	11,950	1,657	-10,293
Equipment and Equipment Rental	0	525	1,442	917
Debt Service	0	25,951	25,951	0
<i>Subtotal Nonpersonal Services (NPS)</i>	<i>10,833</i>	<i>41,006</i>	<i>43,306</i>	<i>2,300</i>
Total Proposed Operating Budget	20,891	52,726	57,277	4,551

Table ES0-3

FY 2002 Proposed Operating Budget, by Revenue Type

(dollars in thousands)

Washington Convention Center Authority

	Actual FY 1998	Actual FY 1999	Actual FY 2000	Approved FY 2001	Proposed FY 2002
Other	21,185	127,001	20,891	52,726	57,278
Gross Funds	21,185	127,001	20,891	52,726	57,278